STATE CORPORATION COMMISSION

AT RICHMOND, JANUARY 20, 2022

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PETITION OF

APPALACHIAN POWER COMPANY

CASE NO. PUR-2021-00293

For approval pursuant to Va. Code § 56-40 to implement the voluntary Curtailment Service Rider

ORDER GRANTING INTERIM AUTHORITY AND FOR NOTICE AND COMMENT

On December 15, 2021, Appalachian Power Company ("APCo" or "Company") filed a petition ("Petition") with the State Corporation Commission ("Commission") requesting approval, pursuant to § 56-40 of the Code of Virginia ("Code"), to implement a voluntary schedule for its customers, the energy Curtailment Service Rider ("Rider CS"). In support of its Petition, APCo states that Rider CS is designed to provide benefits to both participants that can curtail energy usage, and to non-participating customers, by reducing costs during times of high energy market prices. APCo further states that Rider CS will be available to qualified standard service Large Power Service ("LPS") customers, and that those who choose to enroll will be notified by the Company of the option to curtail their energy usage when periods of high market energy prices occur. APCo asserts that its customers will benefit from the participation of LPS customers in Rider CS because the Company will be able to avoid the purchase of energy to serve the curtailed load; that the result will be a net reduction in fuel and purchased power costs relative to what they would have been; and that all customers will benefit from the reduced

¹ Petition at 1.

² Id. at 2.

^{3 1}d.

pass-through energy supply costs, as the credits for voluntary reductions are less than the energy cost in the day-ahead market that is avoided by the curtailment.⁴ Accordingly, APCo asks for Commission authority to implement its Rider CS pursuant to Code § 56-40, and to do so as soon as possible so that the Company and customers can obtain the benefits of Rider CS in the upcoming winter months.⁵

NOW THE COMMISSION, upon consideration of the Company's Petition and having been advised by the Staff of the Commission ("Staff"), is of the opinion and finds that pursuant to Code § 56-40, the Company should be granted authority on an interim basis to implement Rider CS. Such interim authority shall be effective with this Order and shall continue until otherwise ordered by the Commission. We further find that, pursuant to Code § 56-234 B, we will direct APCo to provide notice of its Petition; that interested persons should be afforded an opportunity to file comments on the Company's Petition, file notices of participation, or request a hearing on the Petition; and that Staff should investigate the Petition and file a Report containing its findings and recommendations.

The Commission takes judicial notice of the ongoing public health issues related to the spread of the coronavirus, or COVID-19. The Commission has taken certain actions, and may

⁴ Id.

⁵ Id. at 3.

take additional actions going forward, that could impact the procedures in this proceeding.⁶

Consistent with these actions, in regard to the terms of the procedural framework established below, the Commission will, among other things, direct the electronic filing of testimony and pleadings unless they contain confidential information, and require electronic service on parties to this proceeding.

Accordingly, IT IS ORDERED THAT:

- (1) This matter is docketed and assigned Case No. PUR-2021-00293.
- (2) APCo is hereby granted authority, pursuant to Code § 56-40, to implement Rider CS on an interim basis. Such authority shall be effective immediately, and on an interim basis, pending further Order of the Commission.
- (3) The Company shall forthwith file revised tariffs and terms and conditions of service and supporting workpapers with the Clerk of the Commission and with the Commission's Divisions of Public Utility Regulation and Utility Accounting and Finance as necessary to comply with the directives and findings set forth in this Order. The Clerk of the Commission shall retain such filing for public inspection in person and on the Commission's website: scc.virginia.gov/pages/Case-Information.

⁶ See, e.g., Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: Electronic Service of Commission Orders, Case No. CLK-2020-00004, 2020 S.C.C. Ann. Rept. 76, Order Concerning Electronic Service of Commission Orders (Mar. 19, 2020), extended by 2020 S.C.C. Ann. Rept. 77, Order Regarding the State Corporation Commission's Revised Operating Procedures During COVID-19 Emergency (May 11, 2020); Commonwealth of Virginia, ex rel., State Corporation Commission, Ex Parte: Revised Operating Procedures During COVID-19 Emergency, Case No. CLK-2020-00005, 2020 S.C.C. Ann. Rept. 77, Order Regarding the State Corporation Commission's Revised Operating Procedures During COVID-19 Emergency (Mar. 19, 2020) ("Revised Operating Procedures Order"), extended by 2020 S.C.C. Ann. Rept. 78, Order Regarding the State Corporation Commission's Revised Operating Procedures During COVID-19 Emergency (May 11, 2020); Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: Electronic service among parties during COVID-19 emergency, Case No. CLK-2020-00007, 2020 S.C.C. Ann. Rept. 79, Order Requiring Electronic Service (Apr. 1, 2020).

- (4) All pleadings, briefs, or other documents required to be served in this matter shall be submitted electronically to the extent authorized by 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice and Procedure ("Rules of Practice"). Confidential and Extraordinarily Sensitive Information shall not be submitted electronically and should comply with 5 VAC 5-20-170, *Confidential information*, of the Rules of Practice. Any person seeking to hand deliver and physically file or submit any pleading or other document shall contact the Clerk's Office Document Control Center at (804) 371-9838 to arrange the delivery.
- (5) Pursuant to 5 VAC 5-20-140, *Filing and service*, of the Rules of Practice, the Commission directs that service on parties and Staff in this matter shall be accomplished by electronic means. Concerning Confidential or Extraordinarily Sensitive Information, all parties and Staff are instructed to work together to agree upon the manner in which documents containing such information shall be served upon one another, to the extent practicable, in an electronically protected manner, even if such information is unable to be filed in the Office of the Clerk, so that no party or Staff is impeded from preparing its case.
- (6) As provided by § 12.1-31 of the Code and 5 VAC 5-20-120, *Procedure before hearing examiners*, of the Rules of Practice, a Hearing Examiner is appointed to rule on any discovery matters that arise during the course of this proceeding.
- (7) On or before February 11, 2022, the Company shall cause a copy of the following notice to be published as display advertising (not classified) on one (1) occasion in newspapers

⁷ 5 VAC 5-20-10 et seq.

⁸ As noted in the Commission's Revised Operating Procedures Order, submissions to the Commission's Clerk's Office via U.S. mail or commercial mail equivalents may be subject to delayed processing due to the COVID-19 public health issues.

of general circulation throughout the Company's service territory within the Commonwealth of Virginia:

NOTICE TO THE PUBLIC OF PETITION BY APPALACHIAN POWER COMPANY, FOR APPROVAL PURSUANT TO VA. CODE § 56-40 TO IMPLEMENT THE VOLUNTARY CURTIALMENT SERVICE RIDER CASE NO. PUR-2021-00293

On December 15, 2021, Appalachian Power Company ("APCo" or "Company") filed a petition ("Petition") with the State Corporation Commission ("Commission") requesting approval, pursuant to § 56-40 of the Code of Virginia ("Code"), to implement a voluntary schedule for its customers, the energy Curtailment Service Rider ("Rider CS"). In support of its Petition, APCo states that Rider CS is designed to provide benefits to both participants that can curtail energy usage, and to non-participating customers, by reducing costs during times of high energy market prices. APCo further states that Rider CS will be available to qualified standard service Large Power Service ("LPS") customers, and that those who choose to enroll will be notified by the Company of the option to curtail their energy usage when periods of high market energy prices occur. APCo asserts that its customers will benefit from the participation of LPS customers in Rider CS because the Company will be able to avoid the purchase of energy to serve the curtailed load; that the result will be a net reduction in fuel and purchased power costs relative to what they would have been; and that all customers will benefit from the reduced pass-through energy supply costs, as the credits for voluntary reductions are less than the energy cost in the day-ahead market that is avoided by the curtailment. Accordingly, APCo asks for Commission authority to implement its Rider CS pursuant to Code § 56-40, and to do so as soon as possible so that the Company and its customers can obtain the benefits of Rider CS in the upcoming winter months.

The details of APCo's proposal are set forth in the Company's Petition. Interested persons are encouraged to review the Petition and supporting exhibits for the details of the proposal.

The Commission entered an Order Granting Interim Authority and for Notice and Comment ("Order") that, among other things, directed the Company to provide notice to the public and provides interested persons an opportunity to comment Company's Petition. The Commission has taken judicial notice of the ongoing public health issues related to the spread of the coronavirus, or COVID-19. In accordance therewith, all pleadings, briefs, or other documents required to be served in this matter should be submitted electronically to the extent authorized by 5 VAC 5-20-150, *Copies and format*, of the Commission's Rules of Practice and Procedure ("Rules of Practice"). Confidential and Extraordinarily Sensitive Information shall not be submitted electronically and should comply with 5 VAC 5-20-170, *Confidential information*, of the Rules of Practice. Any person seeking to hand deliver and physically file or submit any pleading or other document shall contact the Clerk's Office Document Control Center at (804) 371-9838 to arrange the delivery.

Pursuant to 5 VAC 5-20-140, *Filing and service*, of the Rules of Practice, the Commission has directed that service on parties and the Commission's Staff in this matter shall be accomplished by electronic means. Please refer to the Commission's Order for further instructions concerning Confidential or Extraordinarily Sensitive Information.

An electronic copy of the Petition may be viewed on the Commission's website or obtained, at no charge, by submitting a written request to counsel for the Company Noelle J. Coates, Esquire, American Electric Power Service Corporation, 3 James Center, 1051 East Cary Street, Suite 1100, Richmond, Virginia 23219, njcoates@aep.com.

On or before April 1, 2022, any interested person may submit comments on the Petition by following the instructions on the Commission's website: scc.virginia.gov/casecomments/Submit-Public-Comments. Those unable, as a practical matter, to submit comments electronically may file such comments by U.S. mail to the Clerk of the State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. All such comments shall

refer to Case No. PUR-2021-00293.

On or before April 1, 2022, any person or entity wishing to participate as a respondent in this proceeding may do so by filing a notice of participation with the Clerk of the Commission at scc.virginia.gov/clk/efiling/. Those unable, as a practical matter, to file a notice of participation electronically may file such notice by U.S. mail to the Clerk of the Commission at the address listed above. Such notice of participation shall include the email addresses of such parties or their counsel, if available. Pursuant to

5 VAC 5-20-80 B, Participation as a respondent, of the Rules of Practice, any notice of participation shall set forth: (i) a precise statement of the interest of the respondent; (ii) a statement of the specific action sought to the extent then known; and (iii) the factual and legal basis for the action. Any organization, corporation, or government body participating as a respondent must be represented by counsel as required by 5 VAC 5-20-30, Counsel, of the Rules of Practice. All filings shall refer to Case No. PUR-2021-00293. For additional information about participation as a respondent, any person or entity should obtain a copy of the Commission's Order.

On or before March 1, 2022, any interested person or entity may file a request for hearing on the Company's Petition with the Clerk of the Commission at scc.virginia.gov/clk/efiling/. Those unable, as a practical matter, to file a request for hearing electronically may file such request for hearing by U.S. mail to the Clerk of the Commission at the address listed above. Such requests for hearing shall refer to Case No. PUR-2021-00293, shall include the email address of the filer or its counsel if available, and shall include: (i) a precise statement of the filing party's interest in the proceeding; (ii) a statement of the specific action sought to the extent then known; (iii) a statement of the legal basis for such action; and (iv) a precise statement why a hearing should be conducted in this matter.

A copy of any notice of participation or request for hearing simultaneously shall be sent to counsel for the Company electronically at the email address set forth above.

The Company's Petition, the Commission's Rules of Practice, and the Commission's Order may be viewed at: scc.virginia.gov/pages/Case-Information.

<u>APPALACHIAN POWER COMPANY</u>

(8) On or before February 11, 2022, APCo shall serve a copy of its Petition and this Order Granting Interim Authority and for Notice and Comment on the following local officials, to the extent the position exists, in each county, city, and town in which APCo provides service in the Commonwealth of Virginia: the chairman of the board of supervisors of each county; the mayor or manager (or equivalent official) of every city or town; and the county, city, or town

attorney. Service shall be made electronically where possible; if electronic service is not possible, service shall be made by either personal delivery or first class mail to the customary place of business or residence of the person served.

- (9) On or before March 11, 2022, APCo shall file proof of the notice and service required by Ordering Paragraph (7) and (8), including the name, title, address, and electronic mail address (if applicable) of each official served, with the Clerk of the Commission at: scc.virginia.gov/clk/efiling/.
- (10) On or before April 1, 2022, any interested person may submit comments on the Petition by following the instructions on the Commission's website:

 scc.virginia.gov/casecomments/Submit-Public-Comments. Those unable, as a practical matter, to submit comments electronically may file such comments by U.S. mail to the Clerk of the State Corporation Commission c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218-2118. All comments shall refer to Case No. PUR-2021-00293.
- (11) On or before April 1, 2022, any person or entity wishing to participate as a respondent in this proceeding may do so by filing a notice of participation with the Clerk of the Commission at scc.virginia.gov/clk/efiling. Those unable, as a practical matter, to file a notice of participation electronically may file such notice by U.S. mail to the Clerk of the Commission at the address in Ordering Paragraph (10). Such notice of participation shall include the email addresses of such parties or their counsel, if available. The respondent simultaneously shall serve a copy of the notice of participation on counsel to the Company. Pursuant to 5 VAC 5-20-80 B, *Participation as a respondent*, of the Rules of Practice, any notice of participation shall set forth: (i) a precise statement of the interest of the respondent; (ii) a statement of the specific action sought to the extent then known; and (iii) the factual and legal

basis for the action. Any organization, corporation, or government body participating as a respondent must be represented by counsel as required by 5 VAC 5-20-30, *Counsel*, of the Rules of Practice. All filings shall refer to Case No. PUR-2021-00293.

- (12) Within three (3) business days of receipt of a notice of participation as a respondent, the Company shall serve upon each respondent a copy of its Petition and this Order unless these materials already have been provided to the respondent.
- (13) On or before March 1, 2022, any interested person or entity may file a request for a hearing on the Company's Petition with the Clerk of the Commission at scc.virginia.gov/clk/efiling/. Those unable, as a practical matter, to file a request for hearing electronically may file such request for hearing by U.S. mail to the Clerk of the Commission at the address in Ordering Paragraph (10). Such request for hearing shall include the email addresses of the filer or its counsel if available. Requests for hearing must include: (i) a precise statement of the filing party's interest in the proceeding; (ii) a statement of the specific action sought to the extent then known; (iii) a statement of the legal basis for such action; and (iv) a precise statement why a hearing should be conducted in this matter. All such filings shall refer to Case No. PUR-2021-00293. The respondent simultaneously shall serve a copy of request for hearing on counsel to the Company.
- (14) On or before March 10, 2022, APCo shall file with the Clerk of the Commission a response to any request for hearing filed in this docket and shall serve a copy of such filing on Staff and all respondents.
- (15) On or before April 29, 2022, Staff shall investigate the Petition and file with the Clerk of the Commission, a Staff Report containing its findings and recommendations.

- (16) On or before May 18, 2022, APCo shall file with the Clerk of the Commission any response in rebuttal to the Staff Report and any comments filed in this proceeding.
- (17) All documents filed in paper form with the Office of the Clerk of the Commission in this docket may use both sides of the paper. In all other respects, except as modified herein, all filings shall comply fully with the requirements of 5 VAC 5-20-150, *Copies and format*, of the Rules of Practice.
- (18) The Company shall respond to written interrogatories or requests for the production of documents within five (5) business days after the receipt of the same. In addition to the service requirements of 5 VAC 5-20-260, *Interrogatories or requests for production of documents and things*, of the Rules of Practice, on the day that copies are filed with the Clerk of the Commission, a copy of the interrogatory or request for production shall be served electronically on the party to whom the interrogatory or request for production is directed or the assigned Staff attorney, if the interrogatory or request for production is directed to Staff.⁹ Except as so modified, discovery shall be in accordance with Part IV of the Commission's Rules of Practice, 5 VAC 5-20-240 *et seq*.
 - (19) This matter is continued.

A COPY hereof shall be sent electronically by the Clerk of the Commission to:

Noelle J. Coates, Esquire, American Electric Power Service Corporation, 3 James Center,

1051 East Cary Street, Suite 1100, Richmond, Virginia 23219, njcoates@aep.com; James R.

Bacha, Esquire, American Electric Power Service Corporation, 1 Riverside Plaza, Columbus,

Ohio 43215, jrbacha@aep.com; and C. Meade Browder, Jr., Senior Assistant Attorney General,

⁹ The assigned Staff attorney is identified on the Commission's website, <u>scc.virginia.gov/pages/Case-Information</u>, by clicking "Docket Search," then clicking "Search by Case Information," and entering the case number, PUR-2021-00293, in the appropriate box.

Office of the Attorney General, Division of Consumer Counsel, 202 N. 9th Street, 8th Floor, Richmond, Virginia 23219, MBrowder@oag.state.va.us.